

Stormwater Finance Strategy Learning Module 1: Preparing for Success in Funding Your Stormwater Program: Getting Organized and Building Support (draft 1, 8.18.18)

Section 1: Overview

1.1. Why Do We Need A Different Approach to Stormwater Finance?

1.1.1 Many Moving Parts Changing Over Time

- Municipal stormwater programs have a challenging assignment- to develop and implement diverse program with many “moving parts”:
 - Program elements required by NPDES permits, including the 6 “minimum measures-
 - Public Education and Outreach
 - Public Participation in program development and implementation
 - Illicit Discharge Detection and Elimination
 - Management of Construction Site Runoff
 - Management of Post Construction Site Runoff from new and re-development
 - Good Housekeeping in Municipal Operations(More information on the 6 minimum measures can be found here [\(Link\)](#))
 - Additional requirements to control specific pollutants causing impairment of receiving streams, rivers, lakes, and coastal waters,
 - Customer service and administrative operations, and
 - Detailed monitoring, tracking, and reporting requirements.
- These program elements are usually tailored to fit state and local needs, issues, and preferences.
- This is a good thing because it may enable local leaders to focus their programs in ways that best address local priorities and interests, but is challenging because it makes the planning and funding process more difficult (i.e., there are no easy, general templates to follow).
- To make things more challenging, permit requirements and local stormwater management issues have changed over time. For example:
 - Many MS4 permits now include specific requirements to address individual pollutants causing impairment of receiving water based on recently developed Total Maximum Daily Loads.
 - Many states and communities now want to better integrate urban water management planning to address new opportunities and challenges (e.g., urban greening, water supply augmentation, and climate-related effects).

1.1.2 Program and Financial Planning Challenges

- Many communities have incomplete stormwater program plans that do not account for all aspects of program operation and/or anticipate future program needs.
- Stormwater management responsibilities are often spread across several programs with independent planning and budgeting processes, which makes it difficult to look comprehensively at stormwater program activities and needs.
 - (Module 2 discusses program planning needs and approaches in greater detail. [Link](#))
- Municipal stormwater programs are rarely funded at levels necessary to:
 - meet current and likely future regulatory requirements,
 - maintain, renew, and improve local infrastructure, and
 - attain future local goals for improved water management.

- Most local programs depend upon an unsteady mix of general funds and grants to fund capital expenditures, operation of existing program activities, and program administration.
 - General funds are normally used to cover staffing, administrative, operations, and maintenance costs.
 - Less than 1/3 of local programs are supported by dedicated stormwater utility fees/taxes.
- This funding mix is rarely reliable and sustainable because:
 - general funds are variable and subject to intense competition from other programs seeking funding for local priority needs,
 - grants are unreliable, subject to intense competition, and often have local match requirements that are hard to meet without a dedicated funding source, and
 - access to other financing sources (loans, bonds, public-private partnerships) normally require a reliable, dedicated source of ongoing funds to assure repayment over time.
- Many local programs lack staffing expertise and/or time necessary to prepare comprehensive program and financial plans.

1.1.3 Embracing the Need to Change

- Many local programs face a dilemma- How do we improve our program plans and finance strategies when we barely have time to address urgent, everyday needs?
- We must not fall into the trap of being too busy to plan.
- Other municipal programs usually have dedicated funding sources and organization. For example, wastewater and drinking water programs are often organized as utilities with dedicated fees or taxes that support much or all of their funding needs. Stormwater programs deserve no less.
- Having dedicated funding is critical to building a sustainable, thriving program that can provide the services your customers expect and meet regulatory and local water management needs.
- Communities that have been most successful in program development and implementation have usually developed more robust program finance plans that account for different current and projected future funding sources.
- To date there have been limited resources available to help local programs develop comprehensive stormwater program and financial planning tailored to local circumstances.
- There are many examples of success in building more comprehensive program plans and financing strategy.
- This course draws upon the experiences of peer programs to identify strategies for more successfully addressing the finance dilemma.

1.2. Implementing the Alternative- Overcoming Barriers to Sustainable Stormwater Finance

1.2.1 Challenges In Devising a Successful Stormwater Finance Plan

- Developing a successful financial strategy for a municipal stormwater program is challenging because:
 - Many programs do not have a thorough accounting of program assets, activities, and current and future needs.
 - Costs of operating the program, maintaining existing projects and assets, and implementing future projects are often not well documented.
 - Future funding options have not been thoroughly identified and evaluated for feasibility.
 - Many communities lack clear strategies for linking program and financial plans.
 - The public and key decision makers often do not understand the importance of sound stormwater management (both the costs of inaction and the benefits of more proactive action).
 - The public and key decision makers often do not understand stormwater program funding approaches, needs and deficits.

- Responsibility for local stormwater management is often divided among several separate departments, which are often poorly coordinate or even compete for funds.
- Local jurisdictions often do not coordinate with their neighbors at a regional or watershed scale, which impedes sound, efficient financial planning.
- You are not alone- other stormwater programs face the same challenges.
- There are alternative models for program development and financing that have proven successful across the US—this training provides information you need to adapt these models to your local circumstances to develop a winning financial strategy.

1.2.2 Key Elements For Success in Finance Planning

- The key attributes of these successful models include:
 - Details are tailored to local needs, values, and constraints.
 - Financial planning is based on sound, long term program planning that accounts for what you need to keep doing, and what new activities and projects you will need to take on.
 - There is long term commitment to educating the public, stakeholders, and decision makers about:
 - the benefits of sound stormwater management and costs of inaction (establishing need),
 - your capability to make wise, accountable use of public funds (building trust), and
 - your commitment to ensuring that fees/taxes are fair.
 - Use of multi-faceted, effective communication and partnering tools to build political support
 - Opportunities are created for meaningful stakeholder involvement and engagement
 - Trusted local opinion leaders and outside experts help carry the message about the need for a strong program and adequate financing

1.2.3 Suggested Steps In Planning, Seeking, and Implementing A Program Finance Strategy

- Stormwater program and financial development models vary but follow a basic sequence:
 - *Get organized* and learn the basics about improved stormwater planning and finance
 - *Assess* your needs, costs, existing funding sources, and new financing options
 - *Build support* before you ask for money
 - *Ask for approval* of your funding proposal
 - *Implement* with care and flexibility
 - *Evaluate and adjust*
- It is important to see this process as continuing and sequential, not a one-time thing. Building a long term planning and adaptation process that aligns with your financial and budget planning process is key to developing the capacity to change your program strategies effectively over time.
- Implementing this type of program and finance planning model will improve the clarity and integrity of your program while increasing your chances for success *now* in obtaining stable, dedicated funding.

1.3 Case Study- Moving from Failure to Success in Palo Alto, CA

Background

- The City of Palo Alto, CA learned from failure of its effort in 2000 to obtain dedicated stormwater program planning to mount successful fee funding ballot measures in 2005 and 2017.
- Property owner fees were established by the City Council in the late 1980s, but state law changed to require voter or property owner approval of stormwater taxes or fees.
- To succeed, the City would need to approval from its Council for a timely ballot measure to continue funding the program and then to get a majority of votes from property owners.

- As discussed below, the City implemented several new approaches designed to build broader public support for its program and associated fee measures, learning from its mistakes in 2000.
- The 2017 fee measure passed with an approval of approximately 64% of voters, surpassing the 50% needed to be effective

Reasons For Failure of 2000 Fee Campaign

- In 2000, the City sought approval of a revised stormwater fee program through a ballot mailed to property owners.
- Response was lackluster (53% response rate) and unsupportive (63% opposed, 37% support).
- City staff evaluated its ballot effort and identified several factors that contributed to failure:

Fee Design

- Lack of “sunset” clause
- Potential for uncontrolled inflationary fee increases

Public Involvement and Oversight

- Lack of provision for independent public oversight
- Little opportunity for public involvement in developing and marketing the fee proposal
- No concerted effort to involve local businesses or other opinion leaders in process

Communication and Program Education

- Little focus on explaining why stormwater management is important or how the City operated a high-quality program
- Little effort to document in advance tangible program accomplishments to date or specific project plans to be funded with new fee funds
- Little direct outreach to elected officials led to tepid City Council support
- Passive outreach strategy led to negative press coverage
- Organized opposition and no effective means to counter opposition arguments

Communication and Public Involvement in Later Fee Campaigns

- Learning from its 2000 experience, the City of Palo Alto began to employ multiple communication, education and public involvement strategies:
 - The City convened a Blue Ribbon Stormwater Committee comprised of a diverse group of local stakeholders, many of whom are leaders in their organizations, to work with city staff to review funding needs and to identify a funding mechanism. The Committee completed a fee financial analysis and provided recommendations, along with a detailed project budget, in a final report.
 - Later, Committee members actively engaged in communicating with the public and key elected officials, the business community, and other key stakeholder leaders through 15 public meetings in discussing the importance of the program and the need for continued fee assistance.
 - The city developed a detailed Google map overlay of proposed and completed projects that were or will be funded by the fee that was widely distributed. This enabled the public to understand specifically what beneficial projects had been funded by past fees and would be funded by the newly proposed fee.
 - The City included informational utility bill inserts (November 2017 and February 2017) that provided detailed information to rate payers and assisted in educating the public about the

importance of sound stormwater management, the key role the City stormwater program plays in ensuring safe stormwater management, and the need for fees in the future. This type of outreach helped build a sense in the public that the City program was well managed and competent in performing its mission.

- An independent “Storm Drains for Palo Alto” committee was convened to provide campaign support. The committee privately fundraised \$20,000, gathered endorsements from community leaders, mailed campaign brochures concurrent with ballot mailing, maintained a campaign website, used volunteers to phone likely voters, made presentations to community and business groups, and assisted in organizing a League of Women Voters debate.

- The City conducted a fee protest hearing, as required by the City’s regulations, which helped demonstrate that the City had nothing to hide and was willing to defend its program and its need for increased funding. Senior City elected officials and department administrators represented the City at this hearing

- The City and campaign committee conducted extensive outreach to the press (including presentation to editorial boards), which resulted in publication of several positive press articles describing the ballot measure as well as the value of stormwater management. For example, one press article stated that the Vice Mayor “praised the plan to split off the fees into maintenance and capital categories and called the committee’s recommendations thoughtful and that “council members lauded the philosophical shift on storm water.”

- Palo Alto learned from its mistakes in 2000 that led to failure to maintain its fee program.
- As a result of its broader efforts to build support for its program and associated need for fees, Palo Alto’s 2005 and 2017 fee ballot campaigns were each successful, with successively higher participation and approval rates.

Section 2. Getting Organized to Succeed- Preparing to Seek the Funding You Need

2.1 Why We Need to Get Organized Up Front

- Some communities that have funding shortfalls jump directly to creating a fee or tax funding proposal backed by a short-term public outreach campaign.
- Experiences of communities that were both successful and unsuccessful in obtaining dedicated funding show that you should not just focus up front on:
 - analyzing program costs, funding options, and fee program development, and
 - rolling out a public process to “sell” the funding proposal
- Instead, it is important to get organized and do some critical preliminary work before you will be ready to mount a successful fee funding campaign.
- Your preliminary work will lay the groundwork to be successful in attracting the funding you need by:
 - Helping you thoroughly articulate and assess your program purposes, activities, priorities, and assets
 - This is needed to prepare you to explain why your work is critical, how you effectively do it, and why you need additional, dedicated funding
 - This is also critical to developing a reliable finance strategy—you can’t identify how much you need until you can articulate what you need to do

- Familiarizing the public and key opinion leaders and decision makers about the value sound stormwater management brings to a community
- Helping you identify key issues and concerns that will need to be addressed and key people who should be engaged when you mount your funding campaign in earnest

2.2 How Do We Get Organized?

- Getting organized means defining your program status and plan, being thorough in accounting for the entire program—even elements that may be managed from different departments.
- You need to know where you are going, and why, before you can finance the trip.
- Many programs have organized their program plans based on the funding they can get, not on the funding they need.
- While this may be a realistic approach in the short term, it tends to institutionalize sub-par program design and implementation that renders the program unable to achieve important public objectives in the long term.
- It's a chicken and egg issue- We cannot improve the program without more funding, but we cannot get more funding without articulating why we need to improve and how we should do it.
- There are many viable models for getting organized and planning your process. For example:
 - EPA, 2013: Logic Model: Establishing and Effective Stormwater Funding Mechanism (p. 61)
 - American Rivers, 2016: Sample Stormwater Utility Public Engagement Timeline (p. 9)

2.2.1. Defining your program status and plan

- This is more than an inventory- It requires thoughtful articulation of your goals, strategies, and methods that addresses your current program and where you need to be in the future.
- Timeframes for different aspects of your plans will vary but you need to be future-focused.
- You will be unable to create a persuasive financing plan if you don't have a thorough program plan with solid documentation.
- See Module 2 for more information on program planning (LINK)

2.2.1.1- Clearly and simply defining your program goals and purpose (*Why Is It Important To Do This?*)

- It is important to start by explaining why we need sound stormwater management before getting to the details about how we accomplish this and what specific projects and activities need to be funded.
- As Simon Sinek says in his pathbreaking Ted Talk, "People don't buy what you do; they buy why you do it." https://www.ted.com/talks/simon_sinek_how_great_leaders_inspire_action
- How do you do this? Become prepared to explain your program's purpose in terms of the values and services it delivers to customers in areas they care about.
- For example, explain your interest in ensuring streams and beaches are clean for swimmers, streets are free of trash, and streets and homes are not flooded during big rainfall events.
- Think in terms of your "elevator speech." If you cannot briefly describe why your program is important to the community, you are probably not ready to argue successfully for new, dedicated funding.
- While regulatory compliance is a valid objective and often a key program driver, it is unlikely to resonate with the public as a sole or primary motivating purpose for funding the program.
- Perhaps surprisingly, research has shown that appealing solely to the desirability of cleaner water is unlikely to motivate community members to support increased funding, often because members of the public do not understand the connection between clean water and safe swimming or healthy fish.

- Successful communities broaden the range of program goals and purpose beyond water quality to include other stormwater management benefits.
- Defining your “why statement” depends on listening to your customers to understand what motivates them. Some communities care a great deal about flood control or increasing property values, while others might be more interested in the value of clean beaches or swimming areas.
- We suggest you adopt a longer term perspective in setting and articulating goals for your program (e.g., Where do we want to be in 10 years?). Most people want to know you’ve thought ahead about where we need to be down the road, not just next year.

2.2.1.2- Describe your program’s strategy (How Do We Intend to Accomplish Our Goals?)

- Explain your overall program approach (the general areas where you invest time and resources).
- Show how program implementation benefits your customers now and in the future (and the risks you face if you don’t).
- Use specific examples to illustrate the types of work you do (and need to do in the future) and how they address your customers’ interests and priorities.
- Keep the language simple and drop the jargon and acronyms- avoid terms like:
 - NPDES (federal permits)
 - Stormwater (polluted runoff)
 - Maximum extent practicable (just avoid it)
 - IDDE (illegal pollution discharges)
 - SWMPs (program plans)
 - BMPs (polluted runoff controls).
- Specifics will vary, but may include:
 - Work with homeowners and businesses to reduce polluted runoff reaching streams and lakes by changing individual habits and changing how we build buildings, streets, and parking lots.
 - Keep our storm drain systems in good condition so they can handle big storms
 - Build green infrastructure to enable stormwater capture and reuse to augment water supply.
- We suggest a medium term perspective- Develop a detailed strategy for next 3-5 years and sketch of strategy for following 5 years.

2.2.1.3- Explain what specifically you do now and need to do in the foreseeable future

- Inventory your existing system and activities, and build capacity to actively manage and expand/replace system assets in the future.
 - What are your system’s assets? (pipes, pumps, trucks, equipment, personnel, stormwater management projects).
 - What do you do with your assets (public education, inspections, street sweeping, monitoring, project review and planning, maintenance).
- Module 2 discusses the importance of developing asset management planning capability in greater detail ([link](#))
- Be thorough- You need to account for all of your program’s responsibilities, activities, assets, and projects that need attention, action, and funding.
- Most municipal stormwater programs need to account for the following responsibilities:
 - Administration: coordination, SWMP development, annual reporting, public education and training, grants administration

- Regulation and Enforcement: MS4 Permit compliance, system inspections, IDDE, ESC inspections
 - Engineering and Master Planning: plans, SWPPS, CIP design, mapping, code development and zoning support
 - Operations and Implementation: O&M, street sweeping, culvert replacement, catch basin cleaning, emergency repairs, vehicle/facility maintenance
 - Outreach and involvement: public education activities and public involvement processes
 - Monitoring: Catchment assessment, outfall monitoring, activity tracking
(HWG, 2011; NAFSMA, 2006)
- Here is an example of how one community mapped out its existing program activities and budget (MAPC, 2014)

Service	Description	Existing Budget
Debt Servicing	Annual amount paid on any bonds that were sold to finance stormwater improvement projects.	
Capital Improvements	Amount of money required to initiate new physical improvements to storm sewer systems and other BMP projects for either improvement or expansion.	
Maintenance and Operations	Cost includes the cost of labor, material and equipment for City crews to perform OM&R for the storm sewer system, including costs of crews to clean inlets, respond to street and viaduct flooding, and repair storm sewer inlets and manhole frames.	
Storm Sewer Cleaning	This work is competitively bid each year and is completed by privately contracted firms. Includes cleaning and televising the pipes in the City's Storm Sewer System.	
Erosion Control, Grading and Permitting	This is a potentially self-supporting activity where the fees charged for the permits equal the City's cost to review and issue the permits. Erosion control, grading, and drainage permits are issued whenever new construction exceeds municipal standards for surface disruption by construction.	
NPDES Compliance	Cost of actions to carry out minimum control measures City plans under NPDES permit (public participation, LID actions, etc)	
Service Requests	Cost of City staff time to help property owners find solutions to drainage problems on their property.	
Sustainability Provisions	Cost of improvements in sewer systems that increase efficiency or that reduce runoff from properties. Costs of administering any incentive programs in the forms of either credits or deductions for property owners who actively work to reduce runoff should be factored into this figure.	

- Identify what you need to do in the foreseeable future (new capital projects and other program actions), perhaps with a 3-5 year perspective plus specific larger scale projects that require longer to plan, fund, and implement.
- It is often helpful to describe what you do paired with why you do it:
 - Street sweeping → clean streets

- Trash control projects → clean beaches and lakes free of litter
- Basins to capture/infiltrate stormwater → reduce flooding
- Street/sidewalk projects (e.g., vegetated swales) → filter pollutants and trap water to increase supply
- Inspection programs → prevent pollutants fouling streams and harming wildlife

2.2.2. Defining your existing funding situation.

Based on the program plan developed above, you should summarize your existing funding situation:

- Explain how you fund it now and how reliable those funding sources are.
- Provide an initial estimate of how much you need now and in the foreseeable future (e.g. identify and project current and future costs).
- Provide an initial funding gap estimate- How much more funding do you need to succeed?
- These initial funding assessments are critical to carrying out a more intensive funding feasibility and options assessment in the next main step.
- Modules 3, and 4 provide more information about how to develop and present this element.

Section 3: Building Public Understanding and Support for Your Program

3.1 Building Public and Opinion Leader Understanding and Support

- It may not be enough to conduct marketing to persuade the public and decision makers to accept a new funding proposal. To be successful in persuading the public (and their elected representatives) to support your request for dedicated funding, you need to build within the community a sense of trust, competence, and legitimacy.
- To accomplish this you need to:
 - Show how sound stormwater management supports the community's values and needs and is a necessary component of well-functioning local governance
 - Persuade the public that the stormwater program has a solid reputation for professionalism and effectiveness and can be trusted to wisely spend public funds
 - Meaningfully involve the public, key stakeholders and opinion leaders, and elected officials in planning your program
- Experience of successful and unsuccessful funding efforts shows that careful, early planning and engagement are keys to success.
- "You can invite me upfront to be a partner, or in the end to be a plaintiff." Kaspersen, 2000, quoted in EPA 2013

3.2 How Stakeholder Engagement can Strengthen Support for Program Design: Comparison of Reading MA and Berkeley County, SC

These two communities proposed flat residential fees to fund their stormwater programs, with different outcomes. The comparison illustrates the value of stakeholder engagement in program design.

In Reading MA, a stakeholder advisory committee was convened during fee program design that included members who had served on other town boards (and were likely to be more politically influential) and who were knowledgeable about stormwater issues. The group extensively discussed the pros and cons of setting a fee based on actual impervious surface area, versus setting a flat fee. This process enabled the committee to weigh the efficiency of a flat fee structure compared to the ability of a variable fee structure to account for differences in land ownership and runoff characteristics. The

committee concluded that collecting the data needed to properly set variable fees based on impervious surface would be expensive and time consuming. The committee ultimately recommended a flat fee proposed by the advisory committee at a Town Meeting.

In contrast, Berkeley County, SC did not engage stakeholders in its program development and therefore did not have the opportunity to test and refine its proposed design with stakeholders. When County staff brought the proposal to a public County Council meeting, they faced significant opposition by Council members and citizens who were concerned the flat fee structure would not be fair, and did not take into account differences in property sizes, ownership and runoff characteristics. At every County Council meeting in which the proposal was discussed, questions and controversy escalated, ultimately leading to the Council's rejection of the proposal.

The Reading, MA approach enabled the city to work with stakeholders early in the process and demonstrate that citizen concerns were being considered in fee design before asking the community to approve a fee proposal. If the Berkeley County Engineering Department had established a stakeholder advisory committee, these types of issue might have been identified and resolved before the proposal was finalized and presented to the County Council for consideration.

Source: EPA, 2013, p. 28, 30.

3.3 Retooling Public Outreach to Build Support

- Regulated stormwater programs regularly implement public outreach and involvement activities pursuant to NPDES permit requirements. (40 CFR 40 CFR 122.34(b)).
- Many of those existing efforts focus on:
 - raising public awareness about stormwater pollution problems (e.g. polluted runoff can kill fish and make beaches unsafe for swimming), and
 - changing public behavior (e.g., don't put chemicals down storm drains).
- It is critical to also publicize the role of the local program in managing stormwater and the benefits a strong local program delivers.
- Cities that have been successful in obtaining dedicated funding regularly cite the importance of working long in advance of a fee funding initiative to build a base of public understanding and support for what you do:
 - Why urban stormwater matters as a resource, problem, and opportunity
 - Benefits of sound management (less trash, nicer streets and parks, cleaner water and beaches, increased water supply
 - Costs of failure to act (flooding, infrastructure collapse, reduced quality of life and property values)
 - How your program already delivers benefits and results, and
 - What specific successes you have already had in improving stormwater management
- Permitting regulations about public outreach are flexible (P.G. Environmental, 2018)
- Many communities would like to change emphasis in public outreach approaches to focus more on the values the local program delivers now and should deliver in the future, and the need for additional dedicated funding to better manage stormwater in the community.
- Working with the permitting authority, you can modify your public participation activities to change focus more on building public understanding of and support for what you do. (example??)
- Regular public outreach approaches will vary by community, but experience has shown that multipronged approaches to outreach are more likely to succeed than single methods.

- Successful communities often use a mix of:
 - *written outreach* (bill inserts, pamphlets, fact sheets).
 - *presentations* (in person appearances before neighborhood groups and council meetings).
 - *social media posts* (e.g. twitter posts about successful project implementation, emergencies, or desired behaviors).
 - *involvement in community events* (e.g. tabling at fairs, festivals, or parades).
 - *outreach specifically tailored to schools*, and
 - *outreach to news media* (e.g., covering new project startups and successes, or damage to infrastructure from storms).
- Apply the KISS rule (Keep It Simple Stupid!)- Your messaging needs to be short and simple:
 - Avoid jargon and acronyms- Use plain language.
 - Surveys have shown that many stormwater programs use excessively complex language in their public outreach materials, which increases potential for the public to misunderstand the information presented and opportunities to develop opposition (WWTW, 2014).
 - Speak to your customer's values and priorities, and show how the services you provide are services they want and need.
 - Prepare your "elevator speech"- All your messengers need to be ready with a succinct, compelling argument to support and fund your program.
 - Using specific examples of what you've already done and plan to do works better than general status reports and plans.
 - To effectively make your pitch for funding, *start by discussing what needs to be done, then how to fund it.*
- Show your work- You will need to show that you have done your homework and have solid documentation showing that you have thought this through and have a cost-effective program and financing plan in mind.
- Successful communities often cite a need to carry out focused public outreach to build public understanding and support at least 2 years before seeking approval of a specific fee funding plan.
- If you are not doing so already, you should focus at least part of your public outreach to build support for your program plan and the need to provide adequate, stable funding.
- Should consider starting or refocusing outreach to build awareness about the need for sound stormwater management *before or concurrent with* defining your program status and plan.
- There are many existing, ready to use public outreach materials available for your use or adaptation; however, most of the materials focus on general outreach about stormwater management issues and opportunities—not on local program plans and needs:
 - EPA's Nonpoint Source Outreach Toolbox <https://cfpub.epa.gov/npstbx/>
 - EPA's Getting in Step: Engaging and Involving Stakeholders in Your Watershed https://www.epa.gov/sites/production/files/2015-11/documents/stakeholderguide_0.pdf
 - Pennsylvania's MCM2: Public Involvement resource guide: <https://www.dep.pa.gov/Business/Water/CleanWater/StormwaterMgmt/Stormwater/MCM/Pages/MCM-2-Public-Involvement.aspx>
 - Minnesota's Stormwater Manual: MCM 2 Public Participation/Involvement https://stormwater.pca.state.mn.us/index.php?title=MCM_2_Public_Participation/Involvement

3.4 Building Meaningful Public Involvement Habits

- It is not enough to do broad outreach and education; studies and experience have shown that success in building support for new program approaches (including dedicated fee funding) also depends upon developing meaningful opportunities for 2-way engagement with program customers and decision makers.
- 2 way engagement and involvement are critically important as programs evolve for several reasons:
 - The public and decision makers are more likely to trust and support a program if they have the opportunity to discuss program development options and issues before decisions are made.
 - Decision makers (especially elected officials) don't like surprises. They want to "see the light before they feel the heat" Forester Media, 2015.
 - Engaging with the public and decision makers early enables your program to identify issues of concern that should be addressed, and key concerned individuals or groups who should be consulted before you have to make design recommendations or decisions.
 - Community members often can offer local knowledge and expertise that help make your program plan better and more responsive.
 - Early involvement can help you determine your community's "tolerance level" for stormwater fees or other dedicated funding.
 - Early involvement creates opportunities to enlist respected community leaders and decision makers as champions to help build support for your future initiatives and plans.
- Meaningful involvement increases program transparency and accountability— two critical factors in building public trust.

3.5 Involving the General Public and Stakeholder Groups

- Many communities have no standing mechanisms for involving the public, key stakeholders, and/or key decision makers in program planning and implementation.
- In some cases, communities consult directly with the public and decision makers when specific projects are planned (e.g., siting a stormwater treatment facility), but have no stable public involvement process.
- Programs should consider creating standing methods for involving the public in program planning as a regular part of the program planning process. Options include:
 - *Standing advisory committees* with a regular cycle of program evaluation and review
 - *Regular listening sessions/briefings* with key opinion leaders and decision makers (e.g., listening sessions with key groups like Chamber of Commerce and neighborhood associations, and regular briefings for city councils)
 - *Regular public meetings* to discuss program accomplishments, needs, challenges, and opportunities
 - *Using website and social media* to invite public feedback on plans, policies, and projects
 - *Creating media opportunities* to attract news coverage of program successes and needs
 - *Surveys and questionnaires* aimed at customers and interested stakeholders to invite feedback and ideas.
- Advisory committees can help build thoughtful programs and a base of support for funding proposals, but they need to be thoughtfully designed:

- With help from decisionmakers and stakeholders, identify both potential supporters and opponents.
- Advisory groups can be designed to more actively assist in program design and option selection, or act more as a sounding board for ideas and options you and your team generate.
- Provide ongoing opportunities for the group to assist program priority setting and design- you'll gain more by having an ongoing advisory group than by convening a group right before you want to implement a big project or seek fee program approval.
- In looking for opportunities to speak to community groups and leaders, seek out potential opponents early to better understand their concerns, show your concern for their interests, and hopefully reduce opposition by addressing their concerns in your program and financial plan design.
- We recommend engaging 1 on 1 with known local opinion leaders and decision makers to help identify key program and funding issues and opportunities, and potential individuals and groups to reach in subsequent public outreach and involvement efforts.
- Be careful about using public meetings or hearings alone to involve the public. Unless you are careful in meeting planning, tax and fee opponents may be more likely to come to public meetings than proponents. Holding public hearings immediately before you seek funding approval (thorough a ballot measure or council vote) is probably too late to be meaningful, is perceived by most members of the public as empty "window dressing", and is more likely to attract opposition than support.
- If you do hold public meetings or hearings, make sure your supporters know about them and participate to help advocate for your program.

3.6 Case Study: Raleigh, NC's Stakeholder Involvement Process

Raleigh, NC implemented a formal, consensus-based stakeholder process designed by a professional that led participants through a series of analyses and discussions that resulted in consensus recommendations. Formation of the stakeholder group was approved by the City Council up front. The group was comprised of 25-30 participants representing the development community, environmental groups, the real estate industry, neighborhood groups, and schools. This process illustrates the value of focusing first on establishing the need for improvements in stormwater program services before focusing on potential fee designs, and building support by hearing from neighboring jurisdictions and seeing first-hand the beneficial projects the program provides.

The stakeholder group held 8 meetings between October 2002-February 2003, structured as follows:

1. Reviewed existing program, funding status and options, and the role of the group. City staff discussed why improvements in stormwater management were needed in Raleigh.
2. Discussed current program level of service and distributed a take-home questionnaire to solicit stakeholder feedback on desired levels of service.
3. Reviewed Charlotte-Mecklenburg County, NC's successful program, and a local case study of stormwater issues and opportunities in the Mine Creek Basin; discussed feedback from the survey distributed in previous meeting about potential levels of service.
4. Field trip to view several successful stormwater control infrastructure projects.
5. Discussed stakeholder reactions to the field trip. Members voted in an exercise to identify preferred service levels for each area of the program. The group now began discussing various funding options

including property taxes, municipal service districts, special assessments, sales taxes, and a dedicated stormwater fee.

6. Discussed funding options and residential and non-residential rate structure options.
7. Discussed residential and non-residential rate structure options and credit options.
8. Finalized recommendations to Raleigh City Council to form a utility and collect dedicated fees based on a tiered fee structure. All committee members attended the final City Council meeting and spoke on behalf of the proposed utility and fee.

In addition to the stakeholder committee, Raleigh's team held at least 10 public meetings, distributed information about the program in water bills, met individually with various citizen action groups, and invited newspaper staff to sit in on stakeholder group meetings. Participants indicated that the robust advisory committee structure and process were critical to the successful adoption of the utility/fee proposal by the Council.

(Source, EPA, 2013)

3.7 Attracting and Involving Program "Champions"

- Research has shown that the public (and their elected representatives) may not immediately trust local program managers when they discuss program development and financial needs.
- A proven strategy to help build trust in the local program is to identify, develop, and creating specific roles in your planning processes for interested program champions from outside your program.
- There are 3 main types of program champions you can develop:
 - *Trusted local leaders*: In many communities, the public may be more inclined to "believe" already established opinion leaders (e.g., high profile business owners, political activists, educators, religious leaders, and the like)
 - *Trusted experts*: Some communities have successfully enlisted people with acknowledged expertise in stormwater management to help build support (e.g. university researchers, leaders of successful programs in neighboring communities, and experienced consultants)
 - *Elected Officials*: It can make a huge difference to identify early supporters among key elected officials who must approve stormwater funding plans. Identifying one or more key officials early in the process and asking them to help persuade the public and fellow elected officials is often a key ingredient in building a successful public outreach strategy.
- If you can work directly to educate these leaders about your program needs and gain their support, they can often act as trusted spokespeople during your public outreach and involvement efforts.

3.8 When Are More or Less Intensive Public Involvement Efforts Needed?

How can you determine how much effort you should expend on public outreach and involvement? Based on surveys of communities that engaged in stormwater program and financial planning, several key factors should be considered:

More Intensive Effort Needed	Less Intensive Efforts Needed
Stormwater issues are complex and solutions unclear	Program drivers and solutions are relatively simple and straightforward

Substantial new funding needed compared to current	Modest additional funding needs
Fees would substantially change who funds program	Little likely change in who would bear funding burden
No or few nearby examples of successful fee campaigns (easier to follow than lead)	Several examples of successful stormwater fees in neighboring communities
High likelihood of opposition; organized anti-tax/fee groups active	Little organized opposition likely
Decisionmakers unfamiliar with stormwater services and needs	Decisionmakers understand stormwater as a priority
Community has little awareness of water issues and opportunities	Community highly values clean water and need for stormwater services

Section 4: Ready, Set, Go!

- After defining your program plan, assembling initial program funding information, and thinking about your public outreach and involvement strategy, it's time to transition toward implementation of your funding initiative.
- This is the time you lay out your specific action plan for developing your financing plan, implementing your planned stakeholder outreach and involvement strategy, and engaging with decision makers to build support for your proposal.

4.1 Learning From Your Peers and Experts

- In addition to obtaining training through modules like this and reading guidance documents, probably the most efficient way to learn how to be successful in program development and financial planning is to learn from your peers.
- It is particularly important to understand the experiences of stormwater programs in neighboring jurisdictions.
- The public and decision makers will usually want to know about how stormwater programs work nearby, including:
 - what core activities and projects they include in their stormwater programs,
 - how they pay for it, and
 - how much they charge in dedicated fees or taxes
- A stormwater fee proposal is much more likely to succeed if neighboring jurisdictions have already adopted something similar in scope, amount, and design.
- Peers from other jurisdictions can provide very helpful tactical information about how they developed and maintain their stormwater plans, evaluate costs and funding sources, and involve and persuade the public and key decisionmakers.
- Working with and obtaining assistance from nearby peers also provides the opportunity to build partnerships that can help improve the viability and efficiency of a stormwater utility:
 - Decisionmakers will often support joining an existing utility more than setting up an independent one.
 - Setting up a single utility to serve several jurisdictions (or sharing particular services across jurisdictions (e.g. billing or inspection services) is often more cost-effective than going it alone.

- Partnering with upstream or downstream jurisdictions may reduce local concerns about your program having to unfairly pay to fix problems caused upstream, or pay for work whose benefit is only experienced downstream.
- In many cases, it is more cost-effective to enlist the support of outside consultants with wide expertise in program and financial planning and facilitation to help you assess your options, plan strategies for building support for your funding plan, and carry out your planning and funding initiative.
- Calling on outside help is particularly critical where your program lacks sufficient staff time and/or expertise to carry out program and financial plan development and implementation.

4.2 Assembling Your Team

- Program and financial planning take significant time and effort.
- One of the most commonly cited reasons for failure in funding initiatives is providing insufficient resources for the effort (Forester Media, 2015).
- Stormwater program staff often have insufficient time and experience to be able to adequately support both key facets of program and finance planning:
 - conducting the analysis needed to identify and assess options for future program priorities and funding approaches, and
 - organizing, leading, and facilitating public outreach and involvement processes.
- Local programs should identify who specifically will be assigned to work on program planning, financial planning, public outreach and involvement, and other elements of the process:
 - *project leaders* (including a clear line of responsibility from senior managers to lower level managers to involved staff)
 - *project staff* (it is important to involve staff from each program with a stake in the outcome)
 - *outside champions* enlisted to help explain the program and build support
 - outside consultants to provide expert advice, assess costs and funding options, develop public outreach and marketing approaches, and facilitate public and advisory group meetings.
- Paying for program and financial planning can be difficult as there are rarely existing funds earmarked for planning, and it can be difficult to obtain outside funding assistance to aid planning.
- Many communities have had success obtaining funding support through planning grants:
 - Most State Revolving Funds earmark some funding for planning grants
 - US EPA has several grant programs that, through state management agencies, fund stormwater program and financial planning (e.g. Section 319(h) and Section 604(b) grants)
 - Planning funds are also available through some other federal grant programs (e.g., hazard mitigation planning grants through FEMA to support stormwater program and project planning that help reduce future flooding hazards (see <https://www.fema.gov/hazard-mitigation-planning> for more information))
 - Some States (e.g. California and New Hampshire) have grant programs that fund stormwater planning and feasibility analysis efforts (e.g., California's Stormwater Resource Planning grants https://www.waterboards.ca.gov/water_issues/programs/grants_loans/swgp/prop1/)
 - Some communities have obtained special project funds from city councils or other local organizations to pay for program development and planning See, for example, the

Mississippi Watershed Management Organization's Planning Grant program
(<https://www.mwmo.org/grants/stewardship-fund-grants/planning-grants/>)

- Nonprofit organizations and foundations sometimes provide seed funding for stormwater program development and financial planning. (See, for example, National Fish and Wildlife Foundation
(<http://www.nfwf.org/whatwedo/grants/Pages/home.aspx>)

4.3 Transitioning To Your Funding Campaign—Time For Action!

- At this point you have become well prepared to move to the next phase.
- Now you are ready to move from initial planning to developing and “selling” your plan in earnest.
- We recommend you document your plan, your initial program and funding summaries, and your outreach and involvement strategies and associated responsible parties and time lines.
- If you have not done so already, assemble your team and make sure roles and responsibilities are defined for each member.
- You may decide, if you need to raise the profile of your program needs, to kick off your campaign with a splash by arranging specific, media friendly events, to illustrate the need for program improvement and change.
- In some cases, based on your initial evaluation of local interests and viewpoints, that it is better to start with a lower profile (so as not to attract attention from potential opponents)
- Your decision should be based on the feedback you gained from your initial scoping level discussions with decision makers, opinion leaders, and other interested stakeholders.

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